

63B-8-302 Authorization, terms, and procedures.

- (1) The state treasurer may, by written order, issue bond anticipation notes and renewals of bond anticipation notes, including flexible notes and short-term series notes, in the form and with the terms that he determines.
- (2) The state treasurer may:
 - (a) enter into whatever agreements with other persons that he considers necessary or appropriate in connection with the issuance, sale, and resale of the notes; and
 - (b) resell or retire any notes purchased by the state before the stated maturity of those notes.
- (3)
 - (a) The notes and renewals of the notes shall:
 - (i) bear the interest rate or rates as determined by the state treasurer; and
 - (ii) mature within a period not to exceed three years.
 - (b) The notes and renewals of notes may:
 - (i) bear a variable interest rate; and
 - (ii) be redeemed prior to maturity by the state treasurer, but only in accordance with the provisions of the notes relating to redemption prior to maturity.
- (4) The proceeds from the sale of the notes may be used only for:
 - (a) the purposes established in Section 63B-8-202;
 - (b) the payment of principal of and, if not otherwise provided, interest on, bond anticipation notes;
 - (c) the payment of costs of issuance, credit enhancement, and liquidity support; or
 - (d) any combination of Subsections (4)(a), (b), and (c).
- (5)
 - (a) All of the notes and any renewals of the notes shall be payable from the proceeds of the sale of bonds.
 - (b) A renewal of any note may not be issued after the sale of bonds in anticipation of which the original note was issued.
- (6) If a sale of the bonds has not occurred before the maturity of the notes issued in anticipation of the sale, the state treasurer shall, in order to meet the notes then maturing:
 - (a) issue renewal notes for that purpose;
 - (b) pay the notes from state money legally available for paying those notes; or
 - (c) any combination of Subsections (6)(a) and (b).
- (7) Each note and any renewal of any note, with the interest on the note or renewal, constitute general obligations of the state.
- (8) Each note and any renewal of any note, with the interest on the note or renewal, shall be:
 - (a) secured by the full faith, credit, and resources of the state in the manner provided in Part 2, 1999 Highway General Obligation Bond Authorization;
 - (b) payable from:
 - (i) the proceeds of the sale of the bonds and not from any other borrowing; and
 - (ii) money of the state on hand and legally available for that purpose; or
 - (iii) any combination of Subsections (8)(b)(i) and (ii); and
 - (c) payable within five years from the date of original issue.
- (9) The total amount of notes or renewals of notes issued and outstanding at any one time may not exceed the total amount of bonds authorized to be issued but not yet issued.
- (10) The state treasurer shall, in his annual report to the governor, include a detailed statement of all notes and bonds issued during the year and of his actions in relation to them.

Enacted by Chapter 331, 1999 General Session